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DECISION

THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548

FILE: B-200200.2

DATE: May 21, 1981

MATTER OF: AM International, Inc. -- Reconsideration

DIGEST:

Recommendation in prior decision that remaining portion of procurement be resolicited is changed to recommendation for no corrective action, since agency has advised that contract was for purchase of equipment rather than lease with renewal options, as had been understood originally, and equipment has been delivered and put into service and contractor has been paid.

The Department of the Army (Army) requests reconsideration of the recommendation in AM International, Inc., B-200200, April 6, 1981, 81-1 CPD__.

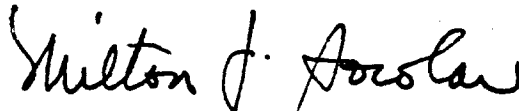
In that decision, we found that the agency's evaluation of the proposals submitted in response to the solicitation for word processing equipment was inconsistent with the evaluation criteria specified in the solicitation for life cycle costs and sort capability. We recommended, therefore, that the remaining portion of the procurement be resolicited based on the Army's actual needs and be evaluated on an objective basis that would insure equality of treatment. We stated that if, after the resolicitation, some offeror other than Lanier Business Products, Inc. (the awardee), was the successful offeror, steps should be taken to terminate the contract with Lanier for the convenience of the Government. We based this recommendation on the understanding that the contract awarded to Lanier was a 1-year lease with three 1-year options.

In the request for reconsideration, the Army agrees with our findings in regard to the inconsistency between its evaluation and the evaluation criteria

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specified in the solicitation. However, the Army advises that we were misinformed as to the type of contract awarded. The solicitation provided for award on either a lease or purchase basis and the word processing equipment was not leased, as we had understood, but purchased. Moreover, the equipment has been delivered and put into service and the contractor has been paid. In light of this, the Army maintains that no meaningful corrective action is possible. The extent of performance is a proper consideration in determining whether corrective action should be taken for an improper award. Zero Manufacturing Co., B-197371, October 15, 1980, 80-2 CPD 279. In the circumstances, we agree with the Army.

Therefore, no corrective action on the award is recommended and our April 6 decision is modified accordingly.



Acting Comptroller General
of the United States